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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/526,907	03/16/2000	Jay S. Walker	99-046	1821

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EXAMINER

MYHRE, JAMES W

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 09/16/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.
09/526,907

Applicant(s)
Walker et al

Examiner
James W. Myhre

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on Mar 16, 2000.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-89 is/are pending in the application.
- 4a) Of the above, claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-89 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
*See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☒ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s). 3-5 6) ☐ Other:

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DETAILED ACTION

Claim Objections

1. The numbering of claims is not in accordance with 37 CFR 1.126 which requires the original numbering of the claims to be preserved throughout the prosecution. When claims are canceled, the remaining claims must not be renumbered. When new claims are presented, they must be numbered consecutively beginning with the number next following the highest numbered claims previously presented (whether entered or not).

There are two claims numbered 53, which are hereafter referred to as Claims 53A and 53B. The Examiner believes this to be a typographical error and has made the following correction. Misnumbered independent claim 53B been renumbered 89.

2. Claim 50 is objected to because of the following informalities: In line 1, the word "a" should be "is". Appropriate correction is required.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

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4. Claims 85 and 86 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The Examiner notes that the claimed data structure is not a data structure, but merely lists 3 and 4 data objects, respectively, being stored on a computer-readable medium. A data structure is not the data within the database, but is the indexes and relationships between the datafields. Therefore, Claims 85 and 86 are considered to consist entirely of non-functional descriptive material. This material does not create any functional interrelationships either as part of the stored data or as part of the computing process performed by the computer and does not impart functionality either to the data or the computer. Such descriptive material is not a process, machine, manufacture, or composition of matter (*Warmerdam*, 33 F.3d at 1361 31 USPQ2d at 1760).

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371© of this title before the invention thereof by the applicant for patent.

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The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily published under 35 U.S.C. 122(b). Therefore, this application is examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

6. Claims 1, 2, 4, 5, 9, 11-14, 17, 19-22, 24-27, 31-35, 38-84 and 87-89 are rejected under 35 U.S.C. 102(e) as being anticipated by Austin (6,259,908).

Claims 1, 20-22, 25-27, 33, 34, 41, 44-46, 48, 52, 54-57, 59-63, 65, 66, 68-70, 72-74, 79, 82, 84, and 87-89: Austin discloses a method and apparatus for facilitating a transaction, comprising:

- a. Determining a subsidy offer from a plurality of subsidy offers according to subsidy offer rules to be provided to a customer from a subsidy provider (col 2, lines 3-17);
- b. Transmitting the subsidy offer to the customer device (col 2, lines 3-17);
- c. Presenting a description of the subsidy offer to the customer when the customer completes a task, such as indicating an interest in purchasing an item or subscribing for a telephone service (col 2, lines 3-17);
- d. Outputting a redemption code (subsidy access code) upon completion of the task (col 3, lines 20-31), and
- e. Providing the benefit to the customer upon acceptance of the offer (col 2, lines 3-17).

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Claim 2: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses determining the subsidy offer based on information associated with the customer (col 2, lines 3-17).

Claim 4: Austin discloses a method for facilitating a transaction as in Claim 2 above, and further discloses that the information comprises an association of the customer with the subsidy provider (i.e. the customer becomes a customer of the subsidy offer by subscribing to the phone service)(col 2, lines 3-17).

Claim 5: Austin discloses a method for facilitating a transaction as in Claim 2 above, and further discloses that the information comprises an association of the customer with a third party (i.e. the customer purchases an item from the merchant)(col 2, lines 3-17).

Claim 9: Austin disclose a method for facilitating a transaction as in Claim 2 above, and further discloses that the information is received from the customer (acceptance of the subsidy offer, i.e. completion of the subscription information)(col 2, lines 3-17).

Claim 11: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses determining whether to present the subsidy offer to the customer (i.e. if the customer does not buy a cellular phone, the offer is not presented)(col 2, lines 3-17).

Claim 12: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses determining the amount of the benefit (dependent on the cost of the cellular phone being purchase by the customer)(col 2, lines 3-17).

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Claim 13: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses that the determination is performed by the customer device, the merchant device, the subsidy provider device, or a central controller (col 2, lines 3-17).

Claims 14 and 76: Austin discloses a method for facilitating a transaction as in Claims 1 and 74 above, and further disclose that the benefit is a subsidy amount applied against the original price associated with the item (col 2, lines 3-17).

Claim 17: Austin discloses a method for facilitating a transaction as in Claim 1 and further discloses the benefit comprises an improved transaction term, i.e. a decrease in the price of the transaction (col 2, lines 3-17).

Claim 19: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further disclose that the item is purchased from one merchant (telephone seller) and the subsidy offer is provided by a second merchant (telephone service company, e.g. AT&T)(col 2, lines 3-17).

Claims 24, 58, 75, 77, 80, and 81: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses the customer device comprising a portable computer, personal digital assistant, smart card, or customer storage device (col 2, lines 3-17).

Claim 31: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses the indication comprises an indication from an input device associated with the customer (i.e. POS device at the customer's location)(col 2, lines 3-17).

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Claim 32: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses the transmitting is performed at a point of sale terminal (col 2, lines 3-17).

Claim 35: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses transmitting and storing the subsidy offer on the remote computer (POS system) prior to receiving the customer's indication of interest in purchasing the item (col 2, lines 3-17).

Claims 38-40, 43, and 64: Austin discloses a method for facilitating a transaction as in Claims 1 and 57 above, and further discloses receiving subsidy offer status information, such as an acceptance or refusal, from the customer device (col 2, lines 3-17).

Claims 42 and 49: Austin discloses a method for facilitating a transaction as in Claims 41 and 48 above, and further discloses penalizing the customer for non-performance of the task, i.e. charges the customer full price for the item instead of the discounted price when the offer is not accepted (col 2, lines 3-17).

Claim 47: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further disclose storing the redemption code (subsidy access code) on the customer device (col 3, lines 20-31).

Claims 50, 51, 56, and 78: Austin discloses a method for facilitating a transaction as in Claim 1 above, and further discloses using a central computer for performing the steps of the method (col 5, lines 31-51).

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Claims 53(A), 71, and 83: Austin discloses an apparatus for facilitating a transaction as in Claims 52 and 82 above, and further discloses one or more databases for storing the information and rules used in the above method (col 5, lines 63-64).

Claim 67: Austin discloses a method for facilitating a transaction as in Claim 65 above, and further discloses the customer device generating the redemption code (subsidy access code)(col 5, lines 31-51).

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 15, 16, 18, 28-30, 36, and 37 are rejected under 35 U.S.C. 103(a) as being unpatentable over Austin (6,259,908).

Claim 15: Austin discloses a method for facilitating a transaction as in Claim 1 above, but does not explicitly disclose that the benefit comprises another item to be provided to the customer in place of the original item, i.e. a substitute item. Official Notice is taken that it is old and well known within the retail arts to provide substitute items as rewards/benefits to the customer. For example, it is common in the airline industry to provide upgraded seats to customers who qualify,

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normally through the completion of some criteria such as reaching a predetermined number of flights, frequent flyer miles, or membership in an organization (i.e. veterans, government employees, etc.). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide a substitute item, such as an upgraded cellular phone, to the customer in Austin. One would have been motivated to provide a substitute item in order to increase the customer's satisfaction with the offer, thereby increasing the likelihood of its acceptance by the customer.

Claim 16: Austin discloses a method for facilitating a transaction as in Claim 1 above, but does not explicitly disclose that the benefit comprises another item to be provided to the customer in addition to the original item, i.e. an additional item. Official Notice is taken that it is old and well known within the retail arts to provide additional items and rewards/benefits to the customer. For example, it is common to offer such additional items as carrying cases, rechargers, headsets, etc. when a customer buys and activates a cellular phone. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide such additional items to the customer in Austin. One would have been motivated to provide an additional item in order to increase the customer's satisfaction with the offer, thereby increasing the likelihood of its acceptance by the customer.

Claim 18: Austin disclose a method for facilitating a transaction as in Claim 17 above, but does not explicitly disclose the transaction term comprising a warranty term or an interest rate term. Official Notice is taken that it is old and well known within the retail arts to offer various

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warranties and interest rates as benefits in an attempt to entice the customer to purchase the item. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide a warranty term or interest rate term as a benefit in the Austin invention. One would have been motivated to provide such a benefit in order to increase the customer's satisfaction with the offer, thereby increasing the likelihood of its acceptance by the customer.

Claims 28-30: Austin discloses a method for facilitating a transaction as in Claim 1 above, but does explicitly disclose that the interest indication received from the customer is a request for an item price, a purchase request, or a request to access information about the item. Official Notice is taken that it is old and well known within society for a customer to request price and other information about an item when desiring to purchase the item and to provide a purchase request upon reaching a decision to purchase the item. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to receive a price request or a purchase request from the customer in Austin. One would have been motivated to receive one of these requests in order to ascertain the intentions of the customer prior to outputting the subsidy offer.

Claims 36 and 37: Austin discloses a method for facilitating a transaction as in Claim 1 above, but does not explicitly disclose deleting the subsidy offer prior to outputting it to the customer, nor that the subsidy offer has an expiration date. Official Notice is taken that it is old and well known within the retail arts for subsidy offers to have expiration dates and to delete

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expired offers prior to outputting to a customer. One would have been motivated to include expiration dates on subsidy offers and to delete expired offers in order to allow the subsidy provider to better control its marketing program by preventing a multitude of outstanding offers being carried over from year to year, whose redemption may cause the subsidy provider's marketing budget to be exceeded. The subsidy provider could prevent such overruns by placing enough funds in a reserve account; however, this would cause a decrease in available funds with a small likelihood that the outstanding offers would ever be redeemed.

9. Claims 3, 6-8, 10, and 23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Austin (6,259,908) in view of Logan et al (5,721,827).

Claim 3: Austin discloses a method for facilitating a transaction as in Claim 2 above, but does not explicitly disclose that the information associated with the customer is demographic, psychographic, or credit information. However, Logan discloses a similar method for facilitating a transaction which also includes targeting the subsidy offer based on demographic information associated with the customer (col 16, lines 58-67 and col 25, lines 4-14). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use demographic, psychographic, or other information associated with the customer when determining the subsidy offer to present to the customer in Austin. One would have been motivated to use such information in order to better target the subsidy offer to the individual customer, thereby increasing the likelihood of its acceptance by the customer.

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Claims 6 and 8: Austin discloses a method for facilitating a transaction as in Claim 12 above, but does not explicitly disclose that the information is associated with another item purchased in at least one previous transaction. However, Logan discloses a similar method for facilitating a transaction which also includes targeting the subsidy offer based on demographic information, such as purchase history, of the customer (col 16, lines 58-67 and col 25, lines 4-14). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use demographic, psychological, and historical information associated with the customer when determining the subsidy offer to present to the customer in Austin. One would have been motivated to use historical information in order to better target the subsidy offer to the individual customer, thereby increasing the likelihood of its acceptance by the customer.

Claim 7: Austin discloses a method for facilitating a transaction as in Claim 2 above, but does not explicitly disclose that the information is associated with previous offers provided to the customer. Logan discloses a similar method for facilitating a transaction which also includes targeting the subsidy offer based on demographic, psychological, and historical information associated with the customer. While it is not explicitly disclosed that the historical information would include previous offer, it would have been obvious to one having ordinary skill in the art to use such information. It would have been obvious that the subsidy provider may want to provide a different offer if the customer declined the previous offer, or provide the same offer if the previous offer was accepted, or vice versa; whichever the subsidy provider believes is the best policy for his marketing program. One would have been motivated to use previous offer

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information in order to better target the individual customer, thereby increasing the likelihood of its acceptance by the customer.

Claim 10: Austin disclose a method for facilitating a transaction as in Claim 9 above, but does not explicitly disclose that the information comprises survey information received from the customer. However, Logan discloses a similar method for facilitating a transaction in which the customer completes and submits a survey which is used to target the subsidy offer (col 40, lines 22-42). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to have the customer in Austin to complete and submit a survey and to use the survey information to target the subsidy offer. One would have been motivated to use survey information in order to better target the subsidy offer, thereby increasing the likelihood of its acceptance by the customer.

Claim 23: Austin discloses a method for facilitating a transaction as in Claim 20 above, but does not explicitly disclose that the task comprises purchasing another item, accessing a web page, visiting a merchant, dialing a telephone number, or answering a question. Logan discloses a similar method for facilitating a transaction in which the customer submits answers to survey questions. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that the task completed by the customer in Austin is to answer a question. One would have been motivated to require the customer to answer a question (or complete one of the other above tasks) in order to collect more customer demographic information, thereby enabling better targeting of the offer by the subsidy provider.

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Information Disclosure Statement

10. The information disclosure statement filed August 9, 2000 (paper number 4) fails to comply with 37 CFR 1.98(a)(2), which requires a legible copy of each U.S. and foreign patent; each publication or that portion which caused it to be listed; and all other information or that portion which caused it to be listed. It has been placed in the application file, but the information referred to therein has not been considered.

The information disclosure statement consists of a list of non-published patent applications, which cannot be considered prior art. Furthermore, no copies of the applications were provided with the information disclosure statement to enable the examiner to consider the information as required above.

Conclusion

11. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

A. Reiter (5,819,241) discloses a method for applying advertisements to parcels and letters with the advertisers subsidizing the cost of the postage.

B. Parker (5,864,757) discloses a method and apparatus for activating cellular telephones and discloses that "wireless telecommunication providers often find it useful in attracting new subscribers to subsidize the prospective subscriber's purchase of a handset".

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C. Wittern, Jr. et al (6,059,142) discloses a method and apparatus for vending products in which a “company might subsidize a special price for any other vend item in the linked vending machine group”.

D. Parker (6,124,799) discloses a method and apparatus for locking cellular telephones and discloses that “wireless telecommunication providers often find it useful in attracting new subscribers to subsidize the prospective subscriber’s purchase of a handset”.

E. Reiter (6,178,411) discloses a method for applying advertisements to parcels and letters with the advertisers subsidizing the cost of the postage.

F. Krauss, Jeffrey (Capital Currents) discloses internet service providers subsidizing cable modem purchases by customers when the customer subscribes with them.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached on weekdays from 6:30 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner’s supervisor, Eric Stamber, can be reached on (703) 305-8469. The fax phone number for Formal or Official faxes to Technology Center 3600 is (703) 872-9326. Draft or Informal faxes may be submitted to (703) 872-9327 or directly to the examiner at (703) 746-5544.

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (703) 308-1113.



JWM
September 10, 2002



James W. Myhre
Patent Examiner
Art Unit 3622